



PENNAR INDUSTRIES LIMITED

CIN No. L27109TG1975PLC001919

Regd. Office: Floor No. 3, DHFLVC Silicon Towers, Kondapur, Hyderabad - 84

Tel No.: 40 4192 3108,

e-Mail ID : corporatecommunications@pennarindia.com

Website: www.pennarindia.com

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

NOTICE is hereby given that the resolution set out below is proposed to be passed by the members of Pennar Industries Limited ("the Company") by means of Postal Ballot, only by way of remote e-voting process ("e-voting"), pursuant to Section 108 and 110 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act and Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended from time to time, read with the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No.22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No. 20/2021 dated December 8, 2021 issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations (including any statutory modification or re-enactment thereof for the time being in force and as amended from time to time).

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice.

An explanatory statement pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act, pertaining to the resolution setting out the material facts and reasons thereof, is appended to this Postal Ballot Notice.

Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company has appointed Mr. Subhash Kishan Kandrapu (Membership No. ACS 32743 and C. P. No. 17545), Practicing Company Secretary, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

The Company has engaged the services of KFin Technologies Limited (formerly known as Kfin Technologies Private Limited) ("KFinTech" or "Registrar and Transfer Agent") as the agency to provide e-voting facility.

In accordance with the MCA Circulars, members can vote only through the remote e-voting process. Accordingly, the Company is pleased to provide remote e-voting facility to all its members to cast their votes electronically. Members are requested to read the instructions in the Notes in this Postal Ballot Notice so as to cast their vote electronically not later than 5:00 p.m. IST on 26th June, 2022, (the last day to cast vote electronically) to be eligible for being considered.

The Scrutinizer will submit his report, after the completion of scrutiny, to the Chairman of the Company or any person authorized by him. The results of e-voting will be announced on or before, 29th June, 2022

and will be displayed on the Company's website www.pennarindia.com and will also be communicated to the Stock Exchanges, National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") (together the "Depositories") and KFinTech. The Company will also display the results of the Postal Ballot at its Registered Office.

SPECIAL BUSINESS

Resolution no. 1 – To re-appoint Mr. Nrupender Rao (DIN: 00089922) as Chairman and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196,197,203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to all necessary approvals, the consent of the members of the company be is hereby accorded to appoint Mr. Nrupender Rao (DIN: 00089922) as Chairman of the Company for a period of 2(two) years with effect from 1st April, 2022 to 31st March, 2024, on such remuneration and terms & conditions as approved by the Remuneration Committee and Board at its meeting held on 09th February, 2022, the particulars of which are annexed hereunder:

Particulars of Remuneration:

- i. Salary (including dearness and all other allowances) shall be Rs. 72,00,000/- per annum.
- ii. Special salary shall be Rs. 43,90,000/- per annum.
- iii. Perquisites and Allowances shall be Rs. 51,90,000/- per annum.
- iv. In addition to the above, company maintained vehicle(s) (excluding the expense incurred on fitting additional accessories, which does not come pre-fitted from the manufacturer) with driver and fuel and also communication facilities will be provided to Mr. Nrupender Rao. These will be treated as perquisites but will be taxed as per the perquisite tax rules.

Perquisites and Allowances include accommodation(furnished or otherwise) or house rent allowance in lieu thereof; House Maintenance allowance, together with the reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, servants' salaries, society charges and property tax; medical reimbursement, medical/accident insurance, leave travel concession for self and family; club fees; contribution to any statutory fund including provident fund, superannuation fund, gratuity fund etc., and such other perquisites and allowances in accordance with the Rules of the company or as may be agreed to by the Board of Directors and Mr. Nrupender Rao.

"RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mr. Nrupender Rao as minimum remuneration with the approval of the Central Government, if required."

"RESOLVED FURTHER THAT so long as Mr. Nrupender Rao functions as the Chairman of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 and do all acts deeds and things to give effect to this appointment."

"RESOLVED FURTHER THAT the Management be and are hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, and do all acts deeds and things to give effect to this appointment."

Resolution no. 2 - To re-appoint Mr. Aditya Rao (DIN: 01307343) as Vice-Chairman and Managing Director and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196,197,203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to all necessary approvals, the consent of the members of the company be is hereby accorded to appoint Mr. Aditya Rao (DIN: 01307343) as Vice-Chairman and Managing Director of the Company for a period of 2 (two) year with effect from 1st April, 2022 to 31st March, 2024, on such remuneration and terms & conditions as approved by the Remuneration Committee and Board at its meeting held on 09th February, 2022, the particulars of which are annexed hereunder:

Particulars of Remuneration:

- i. Salary (including dearness and all other allowances) shall be Rs. 72,00,000/- per annum.
- ii. Special salary shall be Rs. 14,70,000/- per annum.
- iii. Perquisites and Allowances shall be Rs. 18,61,000/- per annum.
- iv. In addition to the above, company maintained vehicle(s) (excluding the expense incurred on fitting additional accessories, which does not come pre-fitted from the manufacturer) with driver and fuel and also communication facilities will be provided to Mr. Aditya Rao. These will be treated as perquisites and will be taxed as per the perquisite tax rules.

Perquisites and Allowances include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, House Maintenance allowance, together with the reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, servants’ salaries, society charges and property tax; medical reimbursement, medical/accident insurance, leave travel concession for self and family; club fees; contribution to any statutory fund including provident fund, superannuation fund, gratuity fund etc. and such other perquisites and allowances in accordance with the Rules of the company or as may be agreed to by the Board of Directors and Mr. Aditya Rao.

All future remuneration growth be determined by the accomplishment of market cap growth and PAT growth. The remuneration of Mr. Aditya Rao will be reviewed annually.

Mr. Aditya Rao, Vice-Chairman and Managing Director will be covered under the performance Incentive plan as enumerated below:

PAT - 10 Lakhs per annum.

Market Cap - 10 Lakhs per annum.

PAT - Measured against FY 2021-22

Sl. No.	Performance Incentive Weightage	Average Performance growth over previous financial year	Payout (Rs. per annum)
1.	50% of eligibility i.e. Rs 10,00,000 per annum	< 15%	Nil
		15.01% to 22.5%	4,00,000
		22.51% to 27%	7,50,000
		> 27%	10,00,000

Market Cap - Measured against FY 2021-22

Sl. No.	Performance Incentive Weightage	Performance growth over previous financial year	Payout (Rs. per annum)
1.	50% of eligibility i.e. Rs 10,00,000 per annum	< 15%	Nil
		15.01% to 22.5%	4,00,000
		22.51% to 27%	7,50,000
		> 27%	10,00,000

“RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mr. Aditya Rao as minimum remuneration with the approval of the Central Government, if required.

“RESOLVED FURTHER THAT so long as Mr. Aditya Rao functions as the Vice-Chairman and Managing Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 and do all acts deeds and things to give effect to this appointment.”

Resolution no. 3 - To re-appoint Mr. K Lavanya Kumar Rao (DIN: 01710629) as Executive Director, liable to retire by rotation and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196,197,203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to all necessary approvals, the consent of the members of the company be is hereby accorded to appoint Mr. K Lavanya Kumar Rao (DIN: 01710629) as Executive Director of the Company for a period of 2 (two) year with effect from 1st April, 2022 to 31st March, 2024, on such remuneration and terms & conditions as approved by the Remuneration Committee and Board at its meeting held on 09th February, 2022, the particulars of which are annexed hereunder:

Particulars of Remuneration:

- i. Salary (including dearness and all other allowances) shall be Rs. 40,00,000/- per annum.
- ii. Special salary shall be Rs. 29,00,000/- per annum.
- iii. Perquisites and Allowances shall be Rs. 21,00,000/- per annum.

Perquisites and Allowances include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, House Maintenance allowance, together with the reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, society charges and property tax, medical reimbursement, contribution to superannuation fund etc and such other perquisites and allowances in accordance with the Rules of the company or as may be agreed to by the Board of Directors and Mr. K Lavanya Kumar Rao.

In addition to the above, company maintained vehicle(s) (excluding the expense incurred on fitting additional accessories, which does not come pre-fitted from the manufacturer) with driver, fuel and maintenance, company’s contribution to Provident Fund and Gratuity (Gratuity is considered as per the Social Security Code effective April 01, 2021), communication facilities, medical and accident insurance, club fees, servants’ salaries, leave travel concession for self and family will be treated as perquisites but will be taxed as per the perquisite tax rules.

The remuneration of Mr. K Lavanya Kumar Rao will be reviewed annually.

Performance Incentive:

The performance Incentive of Executive Director will continue as per below grid:

PAT - 10 Lakhs per annum.

Market Cap - 10 Lakhs per annum.

PAT - Measured against FY 2021-22

Sl. No.	Performance Incentive Weightage	Average Performance growth over previous financial year	Payout (Rs. per annum)
1.	50% of eligibility i.e. Rs 10,00,000 per annum	< 15%	Nil
		15.01% to 22.5%	4,00,000
		22.51% to 27%	7,50,000
		> 27%	10,00,000

Market Cap - Measured against FY 2021-22

Sl. No.	Performance Incentive Weightage	Performance growth over previous financial year	Payout (Rs. per annum)
1.	50% of eligibility i.e. Rs 10,00,000 per annum	< 15%	Nil
		15.01% to 22.5%	4,00,000
		22.51% to 27%	7,50,000
		> 27%	10,00,000

“RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mr. K Lavanya Kumar Rao as minimum remuneration with the approval of the Central Government, if required.

“RESOLVED FURTHER THAT so long as Mr. K Lavanya Kumar Rao functions as the Executive Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 and do all acts deeds and things to give effect to this appointment.”

**By Order of the Board
for Pennar Industries Limited**

**Mirza Mohammed Ali Baig
Company Secretary & Compliance Officer
e-CSIN Number: EA029058A000037330**

Place : Hyderabad

Date : 25.05.2022

NOTES :

1. Approval of Members of the Company is solicited for passing requisite resolutions through Postal Ballot/ e-Voting for business set out in Item No. 1 to 3 of this Notice.

Explanatory Statement pursuant to Sections 102 read with Section 110 of the Act stating all material facts pertaining to the resolutions are annexed hereto along with Postal Ballot Notice for your consideration.

2. **Postal Ballot Notice is being sent only by electronic mode to all the Members of the Company**, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”), (NSDL together with CDSL, the “Depositories”) and as available with the Company as Friday, 20th May, 2022 (“Cut Off Date”).

A copy of this Postal Ballot Notice shall also be available on the website of the Company (www.pennarindia.com), the relevant section of the websites of the Stock Exchange on which the Equity Shares of the Company are listed and the website of KFin Technologies Limited, Registrar and Transfer Agent of the Company (“KFinTech” or “RTA”).

Members holding equity shares as on the Cut-off Date can cast their vote using remote e-Voting facility only. A person who is not a Member as on the Cut-off Date should treat this Notice for information purpose only. Voting rights of a Member/ beneficial owner (in case of electronic shareholding) shall be in proportion to his/ her/ its shareholding in the paid-up equity share capital of the Company as on the Cut-Off Date.

3. Resolution, if approved by the Members by means of Postal Ballot/ e-Voting is deemed to have been passed at a General Meeting of the Members and the last date of the e-Voting i.e., 26th June, 2022, shall be the date on which the Resolution shall be deemed to have been passed, if approved by the requisite majority.

4. Temporary Email Registration

The Company is sending Postal Ballot Notice in electronic form only as permitted under the General Circulars. Accordingly, the communication of the assent or dissent of the Members would take place through remote e-Voting system only.

To facilitate such Members to receive this notice electronically and cast their vote electronically, the Company has made arrangement with RTA for registration of email addresses in terms of the General Circulars.

Process for registration of email addresses is as under:

- a) Pursuant to General Circulars for remote e-Voting for this Postal Ballot, Members who have not registered their email address and in consequence the e-Voting notice could not be serviced, may temporarily get their email address registered with the Company’s RTA by clicking the link: <https://ris.kfintech.com/clientservices/postalballot/registration.aspx> and following the below process:
 - I. Select the company name “Pennar Industries Limited”
 - II. Select the Holding type from the drop down i.e. - NSDL/ CDSL/ Physical
 - III. Enter DP ID – Client ID (in case shares are held in electronic form)/ Physical Folio No. (in case shares are held in physical form) and PAN.
 - IV. If PAN details are not available in the system, the system will prompt to upload a self-attested copy of the PAN card for updating records.
 - V. In case of shares held in physical form where PAN details are not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.
 - VI. Enter the email address and mobile number.
 - VII. System will validate DP ID – Client ID/ Folio No. and PAN or Share certificate No. as the case may be, and send OTP at the registered mobile number as well as email address for validation.
 - VIII. Enter the OTPs received by SMS and email to complete the validation process. OTP will be valid for 5 minutes only.
 - IX. The Notice and e-Voting instructions along with the User ID and Password will be sent on the email address updated by the Member.

Members may also register their e-mail IDs by sending an e-mail citing subject line as "PENNAR' Postal Ballot - Registration of email ID" to corporatecommunications@pennarindia.com with following details

- Name of registered Member(s)/ shareholder(s);
- Folio number(s)/ DP ID/ Client ID; and
- No. of equity shares held

from the email address they wish to register.

Post successful registration of the email, the Member would get soft copy of the Notice and the procedure for e-Voting along with the User ID and Password to enable e-Voting for this Postal Ballot.

In case of any queries, Member may write to einward.ris@kfintech.com; or corporatecommunications@pennarindia.com

b) **It is further clarified that for permanent registration of email address**, Members are requested to register their email addresses by following due procedure:

- **For electronic holdings:** with their concerned Depository Participants; and
- **For physical holdings:** with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited. Member may write to einward.ris@kfintech.com; or corporatecommunications@pennarindia.com

c) Those Members who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants/ the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited to enable servicing of notices/ documents/ Annual Reports electronically to their email address.

If any Member who has registered the email address and not received Postal Ballot notice, User-Id and Password for remote e-Voting, may write to einward.ris@kfintech.com or corporatecommunications@pennarindia.com from the registered email address to receive the same.

5. In compliance with Sections 108 and 110 of the Act and the Rules made there under and Regulation 44 of the Listing Regulations and General Circulars, Company is providing the facility to the Members to exercise their votes electronically and vote on the resolutions through e-Voting facility.

The Company has engaged the services of KFinTech as the agency to provide e-Voting facility.

Instructions for e-Voting are provided as part of this Postal Ballot Notice which the Members are requested to read carefully before casting their vote.

6. A Member cannot exercise vote by sending physical Postal Ballot or by proxy on Postal Ballot.

All the Members are requested to cast their votes only through remote e-Voting as per the procedure provided in Note 9.

7. The Scrutinizer shall submit his Report on the resolutions proposed to be passed through Postal Ballot/ e-Voting to the Company Secretary & Compliance Officer of the Company after completion of the scrutiny.

The result of the voting by Postal Ballot shall be announced on or before Wednesday, 29th June, 2022 and shall be communicated to BSE Limited (“Stock Exchange”) where the equity shares of the Company are listed.

The results of the Postal Ballot/ e-Voting shall also be displayed on the notice board at the Registered Office of the Company for a period of 3 (three) days, on the Company’s website at www.pennarindia.com and on the website of KFintech: <https://evoting.kfintech.com/>

8. All documents referred to in this Postal Ballot Notice shall be available for e-inspection of the Members from the date of dispatch of the Postal Ballot Notice, until the last date of voting by remote e-Voting. Members seeking to inspect such documents may also send an email to corporatecommunications@pennarindia.com.

9. Procedure of e-Voting

- I. Pursuant to the provisions of Section 108 and other applicable provisions of the Act read with the Rules, and Regulation 44 of Listing Regulations, as amended, read with SEBI Circular no. SEBI/ HO/ CFD/CMD/ CIR/ P/ 2020/ 242 dated December 9, 2020 on “e-Voting Facility provided by Listed Entities”, the Company is providing facility to the Members to exercise votes through e-Voting on the e-Voting platform provided by KFintech to enable them to cast their votes electronically.

- II. The e-Voting facility will be available during the following period:





- Commencement of e-voting: 9:00 a.m. (IST) on Friday, 27th May, 2022
- End of e-voting: 5:00 p.m. (IST) on Sunday, 26th June, 2022.

The remote e-Voting will not be allowed beyond the aforesaid date and time and the remote e-Voting module shall be forthwith disabled by KFintech upon expiry of the aforesaid period.

INFORMATION AND INSTRUCTIONS RELATING TO e-VOTING

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of Member	Login Method
<p><u>Individual Members holding securities in demat mode with NSDL</u></p>	<p>1. Existing Internet-based Demat Account Statement ('IDeAS') facility Users:</p> <ol style="list-style-type: none"> i. Visit the e-services of NSD https://eservices.nsdl.com either on a personal computer website or on a mobile. ii. On the e-services home page click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. Thereafter enter the existing user ID and password. iii. After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on 'Access to e-voting' under e-voting services, after which the e-voting page will be displayed. iv. Click on company name i.e. 'Pennar Industries Limited or KFintech. v. Members will be re-directed to KFintech's website for casting their vote during the remote e-voting period. <p>2. Those not registered under IDeAS:</p> <ol style="list-style-type: none"> i. Visit https://eservices.nsdl.com for registering. ii. Select 'Register Online Ideas for IDeAS Portal' or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii. Visit the e-voting website of NSDL https://www.evoting.nsdl.com/. iv. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder / Member' section. A new screen will open. v. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen. vi. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page. vii. Click on Company name i.e. 'Pennar Industries Limited' or i.e KFintech after which the Member will be redirected to ESP website for casting their vote during the remote e-voting period. viii. Members can also download the NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> </div>

<p><u>Individual Shareholders holding securities in demat mode with CDSL</u></p>	<p>1. Existing user who have opted for Easi / Easiest</p> <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1. <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ol style="list-style-type: none"> I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e KFIN Technologies where the e- Voting is in progress.
<p><u>Individual Shareholder login through their demat accounts / Website of Depository Participant</u></p>	<ol style="list-style-type: none"> I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Details on Step 2 are mentioned below:

II) Login method for shareholders holding shares in physical form and non-individual shareholders in demat mode

A) Members whose email IDs are registered with the Company/ Depository Participant(s), will receive an email from KFintech which will include details of e-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- (i) Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- (ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (e-Voting Event Number) 6595, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-Voting, you can use your existing User ID and password for casting the vote.
- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the "EVEN" i.e., "PENNAR INDUSTRIES LIMITED" and click on "Submit".
- (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN". If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- (viii) Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.
- (ix) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as Abstained.
- (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (xi) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution.

Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF/ JPG format) of certified true copy of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), who is/ are authorized to vote, to the Scrutinizer through email at corporatecommunications@pennarindia.com

with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format “**Corporate Name_EVEN No.**”

B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Postal Ballot Notice and e-voting instructions cannot be serviced, will have to follow the following process:

i. Members who have not registered their email address and in consequence the Postal Ballot Notice and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFinTech, by accessing the link: <https://ris.kfintech.com/clientservices/postalballot/registration.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

ii. Alternatively, member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the, Postal Ballot Notice and the e-voting instructions.

iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

Item # 1 Appointment of Mr. Nrupender Rao as Chairman

The Board of Directors upon recommendation of the Nomination and remuneration committee at its meeting held on 09.02.2022 has, subject to the approval of members, unanimously approved the terms of appointment of Mr. Nrupender Rao as Chairman of the Company for a period of 2(two) years commencing from 01.04.2022 to 31.03.2024 including payment of remuneration.

Mr. Nrupender Rao has been guiding the company in its strategic, decision making policies and financial restructuring.

Names of companies in which Mr. Nrupender Rao holds directorship and the membership of the committees of the Board are provided in the additional information on directors seeking appointment/re-appointment at the ensuing Annual General Meeting.

Since, Mr. Nrupender Rao has attained the age of 70 years; approval of the members for his re-appointment is sought by a special resolution as required under Section 196(3) of the Companies Act, 2013.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the appointment of Mr. Nrupender Rao as an Executive Chairman.

The Nomination and Remuneration Committee recommended the appointment to the Board. The Board recommends the resolution set out at item no. 1 of the notice for your approval. No director, key managerial personnel or their relatives, except Mr. Nrupender Rao and Mr. Aditya Rao (being a relative), to whom the resolution relates, is interested or concerned in the resolution.

Further, in terms of Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), effective January 1, 2022, a listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Mr. Nrupender Rao requires the approval of the members of the Company within a period of three months from his date of appointment i.e 1st April, 2022.

Item # 2 Appointment of Mr. Aditya Rao as Vice-Chairman and Managing Director

The Board of Directors upon recommendation of the Nomination and remuneration committee at its meeting held on 09.02.2022 has, subject to the approval of members, unanimously approved the terms of appointment of Mr. Aditya Rao as Vice-Chairman and Managing Director of the Company for a period of 2(two) years commencing from 01.04.2022 to 31.03.2024 including payment of remuneration.

Mr. Aditya Rao worked on creating and implementing the company's growth strategy, organisation structure, controls and team building. His mandate is to create a perpetual growth company with business units that continually scale revenue and profitability along with rigorous risk management controls.

Names of companies in which Mr. Aditya Rao holds directorship and the membership of the committees of the Board are provided in the additional information on directors seeking appointment/re-appointment at the ensuing Annual General Meeting.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the appointment of Mr. Aditya Rao as Vice-Chairman and Managing Director.

The Nomination and Remuneration Committee recommended the appointment to the Board. The Board recommends the resolution set out at item no. 2 of the notice for your approval. No director, key managerial personnel or their relatives, except Mr. Aditya Rao and Mr. Nrupender Rao (being a relative), to whom the resolution relates, is interested or concerned in the resolution.

Further, in terms of Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), effective January 1, 2022, a listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Mr. Aditya Rao requires the approval of the members of the Company within a period of three months from his date of appointment i.e 1st April, 2022.

Item # 3 Appointment of Mr. K Lavanya Kumar Rao as Executive director

The Board of Directors upon recommendation of the Nomination and remuneration committee at its meeting held on 09.02.2022 has, subject to the approval of members, unanimously approved the terms of appointment of Mr. K Lavanya Kumar Rao as Executive Director of the Company for a period of 2(two) years commencing from 01.04.2022 to 31.03.2024 including payment of remuneration.

The terms and conditions of his appointment are as follows:

1. Remuneration : As provided in the resolution.
2. Period of appointment : from 1st April, 2022 to 31st March, 2024.
3. The appointment may be terminated by either party by giving six months' notice in writing of such termination or as may be mutually agreed between the parties.

4. Mr. K Lavanya Kumar Rao shall perform such duties as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.

Mr. K Lavanya Kumar Rao has been handling the day to day operations with respect to Legal, Human Resource, Personnel, Government Relations and Public Relations.

Names of companies in which Mr. K Lavanya Kumar Rao holds directorship and the membership of the committees of the Board are provided in the additional information on directors seeking appointment/re-appointment at the ensuing Annual General Meeting.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder for the appointment of Mr. K Lavanya Kumar Rao as Executive Director.

The Nomination and Remuneration Committee recommended the appointment to the Board. The Board recommends the resolution set out at item no. 3 of the notice for your approval. No director, key managerial personnel or their relatives, except Mr. K Lavanya Kumar Rao, to whom the resolution relates, is interested or concerned in the resolution.

Further, in terms of Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), effective January 1, 2022, a listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Mr. K Lavanya Kumar Rao requires the approval of the members of the Company within a period of three months from his date of appointment i.e 1st April, 2022.

**By Order of the Board
for Pennar Industries Limited**

**Place : Hyderabad
Date : 25.05.2022**

**Mirza Mohammed Ali Baig
Company Secretary & Compliance Officer
e-CSIN Number: EA029058A000037330**

ANNEXURE TO THE NOTICE OF POSTAL BALLOT

Particulars	Details of Directors seeking appointment through the Postal Ballot		
Name	Mr. Nrupender Rao	Mr. Aditya Rao	Mr. K Lavanya Kumar Rao
Category/Designation	Executive Chairman	Vice-Chairman and Managing Director	Executive Director
Date of Birth	23.06.1945	06.12.1981	19.02.1959
Qualification	B.Tech IIT Kharagpur, M.S. Operations Research & Industrial Engineering, Purdue University, USA	B.S., M. Eng. From Cornell University, USA	Graduated in Law from Kakatiya University
Nature of Expertise / Experience	Leadership, Business Management, Industry Experience, Finance Management, Corporate Governance, Compliance & Risk Management	Leadership/ Operations, Business Management/ Strategic Planning, Sales & Marketing, Industry Experience, Technical, Research & Development and Innovation, Global Business Development, Finance Management, Law and Governance, Human Resource Management, Corporate Governance, Compliance & Risk Management	Law and Governance, Human Resource Management, Industry Experience
Terms and conditions of appointment / reappointment	As specified in the Postal Ballot Notice	As specified in the Postal Ballot Notice	As specified in the Postal Ballot Notice
Details of Remuneration paid and last drawn remuneration during Financial Year 2021-2022	During the financial year ended 31 st March, 2022 Rs. 1,54,88,644 was paid as remuneration to Mr. Nrupender Rao	During the financial year ended 31 st March, 2022 Rs. 1,05,31,000 was paid as remuneration to Mr. Aditya Rao	During the financial year ended 31 st March, 2022 Rs. 90,00,000 was paid as remuneration to Mr. K Lavanya Kumar Rao
Remuneration proposed to be paid	As specified in the Postal Ballot Notice	As specified in the Postal Ballot Notice	As specified in the Postal Ballot Notice
Date of First Appointment in the Board	23.09.1995	30.01.2008	07.05.2014
Shareholding in the Company	60,10,786 Equity Shares of Rs. 5/- each.	84,27,203 Equity Shares of Rs. 5/- each.	2,54,900 Equity Shares of Rs. 5/- each.
Relationship with other Directors, Key Managerial Personnel	Besides the remuneration proposed to be paid to Mr. Nrupender Rao, he do not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors except that Mr. Aditya Rao is the son of Mr. Nrupender Rao.	Besides the remuneration proposed to be paid to Mr. Aditya Rao, he do not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors except that Mr. Nrupender Rao is the father of Mr. Aditya Rao.	Besides the remuneration proposed to be paid to Mr. K Lavanya Kumar Rao, he do not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors.
No. of Board Meetings attended during the year 2021-2022	1	5	5
Directorships of other Boards as on date of notice	Pennar Holdings Private Limited	Pennar Holdings Private Limited Enertech Pennar Defense and Engineering Systems Private Limited	Nil

		Pennar Global INC, USA	
Membership / Chairmanship of Committees of other Boards as on date of notice	Nil	Nil	Nil
Brief Profile of Directors seeking appointment through the Postal Ballot:	<p>Mr. Nrupender Rao is the Promoter and Chairman of Pennar Group and has rich and diverse experience in various organisations such as National Cash Register, USA, Union Carbide India, Nagarjuna Group and the Pennar Group.</p> <p>Shri Rao has Master's Degree from Purdue University in Industrial Engineering and Operations Research and an engineering graduate in Mechanical Engineering from IIT Kharagpur.</p> <p>He was appointed Chairman of the Andhra Pradesh Industrial Infrastructure Corporation (APIIC) for two years and was a member of the Planning Board of Andhra Pradesh.</p> <p>He was the National President of the Indo-American Chamber of Commerce and earlier the President of the Hyderabad Management Association.</p> <p>Shri Nrupender Rao is the National Award Winner for "Outstanding Entrepreneur", by Council of State Industrial Development and Investment Corporations of India in 2013.</p> <p>He is also a recipient of the "Distinguished Alumnus Award" from IIT Kharagpur for the year 2011 and "Dr Nayudamma Gold Medal" from Government of Andhra Pradesh for his contribution to industrial development in Andhra Pradesh.</p> <p>Shri Rao also served as the Chairman of Confederation of Indian Industry (CII), Telangana.</p>	<p>Mr. Aditya Rao is the Managing Director and Vice Chairman for Pennar Industries. He has been instrumental in growing the company's revenue and profitability over the past four years. He has worked on creating and implementing the company's growth strategy, organisation structure, controls and team building. His mandate is to create a perpetual growth company with business units that continually scale revenue and profitability along with rigorous risk management controls. His current stated priorities for the company are an improvement in the company's market capitalisation backed with a continuation of consistent, sustainable EPS growth.</p>	<p>Mr. K. Lavanya Kumar Rao has more than three decades of experience in the areas of law, construction, corporate affairs and liaising with statutory authorities. He graduated in Law from Kakatiya University. Mr. Kumar joined Pennar Group in 1987.</p>